

Electronically Recorded

Tarrant County Texas

Official Public Records

10/29/2009 2:07 PM

D209286392

NOTICE OF CONFIDENTIALITY RIGHTS: A NATURAL PERSON MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION BEFORE IT IS FILED IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

XTO REV PROD 88 (7-69) PAID UP (04/17/07)B

OIL, GAS AND MINERAL LEASE	Vidutia 8	X
THIS AGREEMENT made this 25 day of 00. 2009, between Control C	1. 20m sec. 1	Markett 16
Lessor (whether one or more), whose address is: \$ \$ 6 4 \$ color \$ 6. \$ 6 6 6 7 7 8 7 8 15 2 and XTO I	Energy Inc., 1	MARKER
whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WITNESSETH:		

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreenests of Lessee heremafter contained, does hereby grant, sease and left unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), logetiner with the right to make surveys on said fand, by the lines, establish and utilize familiars for subsources disposal of sail water, construct roads and bridges, digitands, build tanks, power stations, leterbone lines, employee houses and other structures on said tand, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered thretby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant. State of Texas, and is described as follows:

See Attached Exhibit "A" for Legal Description

This lease also covers and includes, in addition to that above described, all land, if any, configuous or adjacent to or adjacining the land above described and (a) owned or claimed by Lessor by limitation, prescription, postession, inversion, after-acquired filte or unrecorded instrument or (b) as 19 which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument exquested by Lessee for a more or accurate description of said land. For the purpose of determining the amount of any borrus or other payment hereunder, said land shall be deemed to portion 1.5.0 agree, whether actually containing more or less, and the above recitat of acreage in any frect shall be deemed to be the true acreage thereof. Lessor accepts the borrus as lump sum consideration for this lease and all rights and options hereunder.

- Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of <u>Three</u> years
 from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land
 with no cessation for more than ninety (90) consecutive days.
- with no cessation for more than ninety (90) consecutive days.

 3. As royalty, Lessee coveriants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the squat 25% part of all oil produced and saved by Lessee from said tand, or from time to time, at the option of Lessoe, to pay Lessor the average prosted market price of such 25% part of such oil all the wells as of the day it is run to the pipe line or storage tanks. Lessor in the reset in either case. It obsar of the cost of making job or ender it marketable pipe line oil (b) To pay Lessor on gas and cashinghead gas produced from said land (1) when sold by Lessee, 25% of the amount malized by Lessee computed at the mouth of the well, or (2) when used by Lessee off said land or in the market value, at the mouth of the well, or (2) when used by Lessee off said land or in the market value, at the mouth of the well, or (2) when used by Lessee off said land or marketed or utilized by Lessee from said land, or well, or (2) when used the well or mine at Lessee's election as offern markets mined and marketed the royalty shall be one dollar (\$1.00) per long bon. It, at the expiration of the primary term or at any time of times thereafter, there is any well on said land or in storic with which said land or any producing oil or gas, and all such wells are shut-in, and thereafter this lease shall have been produced in the soft has a said wells are shut-in, and thereafter this lease in any producing oil or gas, and all such wells, are shut-in, and thereafter this lease in the continued in force as if no shut-in had occurred. Lessee of such diligence to produce dispense to produce, diligence to produce, diligence to produce the market and separations of search advantable of the produce of search advantable to Lessee shall not be obligated to install or further the explanation of the promary term, all such wells are further for a pending produced liven sed liven sed liven sed liven sed liven sed of such aminersed produced
- payment. Nothing terein shall import Lesser's night to release as provided in paragraph 5 hereoft, in the event of assignment of this sease, in the event of assignment of this sease, and or in part, tability for payment hereunders shall red exclusively on the hen cover or owners of this lease, as with any other land, lease, or leases, as to any or all mindrals or horizons, so as to establish units containing not imper than do surface acres placed or exclusively or the containing not imper than do surface acres placed and any other hand, lease, or leases, as to any or all mindrals in or exclusively and the containing not more than 540 surface acres placed as to any one or more horizons, so as to sortain and more than 540 surface acres placed to any one or more horizons, so as to sortain and more than 540 surface acres placed to any one or more horizons, so as to sortain and more than 540 surface acres placed to a surface acres placed to any one or more horizons, so as to sortain and more than 540 surface acres placed to the individual of interest produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those therein permitted, either at the containing maximum allowable from any well to ter divided. Any placed to this placed to any other to the size permitted or required or required under any governmental units or content to the thisting or posterion of a well at regular location, or for obtaining maximum allowable from any well to ter divided or river to the size permitted or required by such governmental under the content of the transfer of the size permitted or required by such governmental under the content of the transfer of the date provided for me and find or such trails and effective as shall exercise as all exercises as to each desired or such as a secure of the date provided for me aside insurance or instruments to the sease in the control of the size and the such provided to the size of the size of the size of the date provided to the size

- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location or access road, drilling, teeting, completing, recompleting, despending, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excevating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.
- 7. Lessee shall have the use, free from mivally, of water, other than from Lesson's water wells, and of all and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled pearer than 200 feet to the house or barn now on said land, without the consent of the Lesson. Lessee shall pay for damages caused by its operations to growing crops and amber on said land
- 8. The rights and estate of any party herato may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be bisding upon the parties hereful their here; successors, assigns, and successive assigns. No change or division in the ownership of said land, royalities, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of veils and the measurement of production. Norwithstanding any other subtail or ponstructive knowledge or notice thereof of or to Lessee, its successors or assigns, no charge or division in the ownership of said land or of the oxyallias, or other moneys, or the right to receive the same, howsoever effected, shall be bridding upon the their second owner of this tease until sold, (50) days after their has been furnished to such record owner at his or its principal place of business by Lesser or Lesser's their, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filer for record and which evidence such change or division, and of such countercard owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, Lesses may, nevertheless pay or tender such royalbes, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9 In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, selling out specifically in what respects Lessee has breached this contract. Lessee shall then have sixly (60) days after receipt of said notice without to meet or commence to meet all or any gard of the breaches alleged by Lesser. The service of said notice shall be precedent to the bringing of any action by Lessee asked to such action shall be brought until the lapse of skyl (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all is obligations hereunder. If this lease is cancelled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient achange around each well as to writch there are operations to consiste a drilling or maximum situable unit under applicable governmental regulations. (but in no event less that forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square called at the well or in such shape to at the vesting spacing require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained and shall not be required to move or remove any existing spacing reconstruction for convenient to correct operations. or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend the to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged ormarily with any mortgages, taxes or other tems, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or other mainrily, and be subtragated to the rights of the holder thereof and to deduct amounts so paid from regulates or other payments payable or which many become payable to Lessor and/or assigns under this lesse. If this lease covers a less interest in the oil, gas, subtrue, or other necess in all or any part of said land than the either either lessor's interest is herein specified or not), or no interest therein, then the regulates and other moneys accoung from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided less simple estate therein. All royally interest covered by this lease, of the royally harein previded. This lease shall be finding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of penigraph 3 hereof, and Leasee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other sause, whether similar or dissimilar, (except financial) beyond the reasonable control of Leasee. By primary from hereof shall be extended until the first anniversary date harmon occurring uniety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the violnity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface locations) for drilling, reworking or other operations, are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location of id said land or off of lands with which said land are popied in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pocied therewight, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.
LESSOR(S)
Josephan
STATE OF <u>IEXAS</u>)
COUNTY OF (ACKNOWLEDGMENT FOR INDIVIDUAL)
This instrument year acknowledged before me on the 25 day of Oct. 2009 by
Signature
V VAN ZANDI Printed San Van Zanda
My commission expirate of YEXAS
Seal: VAN ZANOY VAN ZANOY VAN Poole VAN
My Comme East Agris 17, 2011

Exhibit "A"

Lot 4, Block E, of Collins Terrace, Phase 1, an addition to the City of Arlington, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide 6912, of the Plat Records of Tarrant County, Texas.

This lease shall include all streets, alleyways, easements, gores and strips of land adjacent and contiguous thereto.